



MAIL STOP APPEAL
BRIEF - PATENTS

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: H.H. Birch et al.

Attorney Docket No. EXIN116550

Application No.: 09/648,581

Group Art Unit: 3625

Filed: August 25, 2000

Examiner: M. Thein

Title: SYSTEM AND METHOD FOR MATCHING AN OFFER WITH A QUOTE

TRANSMITTAL OF APPEAL BRIEF
AND REQUEST FOR EXTENSION OF TIME

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Seattle, Washington 98101 JUL 7 2004

June 24, 2004

GROUP 3600

TO THE COMMISSIONER FOR PATENTS:

A. Appeal Brief Transmittal

Enclosed herewith for filing in the above-identified application is an Appeal Brief in triplicate.

B. Petition for Extension of Time

Applicants respectfully request that the period for filing an Appeal Brief set to expire on May 24, 2004, be extended by one month, to expire on June 24, 2004.

C. Fees Enclosed

Enclosed is our Check No. 156265 in the amount of \$440 to cover the appeal brief fee of \$330 and the request for extension of time fee of \$110.

D. Additional Fee Charges or Credit for Overpayment

The Commissioner is hereby authorized to charge any fees under 37 C.F.R. §§ 1.16, 1.17 and 1.18 which may be required during the entire pendency of the application, or credit any overpayment, to Deposit Account No. 03-1740. This authorization also hereby includes a request

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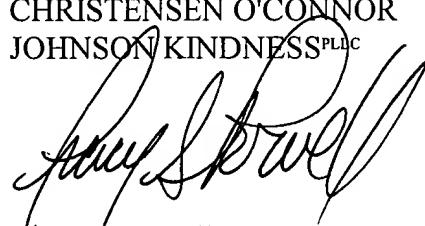
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CHRISTENSEN O'CONNOR JOHNSON KINDNESS PLLC
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

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for any extensions of time of the appropriate length required upon the filing of any reply during the entire prosecution of this application. A copy of this sheet is enclosed.

Respectfully submitted,

CHRISTENSEN O'CONNOR
JOHNSON KINDNESS^{PLLC}



Tracy S. Powell
Registration No. 53,479
Direct Dial No. 206.695.1786

I hereby certify that this correspondence is being deposited with the U.S. Postal Service in a sealed envelope as first class mail with postage thereon fully prepaid and addressed to Mail Stop Appeal Brief - Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on the below date.

Date:

June 24, 2004 Lori A. Lewis

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Applicants: H.H. Birch et al.

Attorney Docket No. EXIN116550

Application No: 09/648,581

Group Art Unit: 3625

Filed: August 25, 2000

Examiner: M. Thein

Title: SYSTEM AND METHOD FOR MATCHING AN OFFER WITH A QUOTE

APPELLANTS' APPEAL BRIEF

Seattle, Washington

June 24, 2004

TO THE COMMISSIONER FOR PATENTS:

This brief is in support of a Notice of Appeal filed in the above-identified application on March 24, 2004, to the Board of Patent Appeals and Interferences appealing the Decision, dated November 24, 2003, of the Primary Examiner finally rejecting Claims 1-29.

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CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

MAIL STOP APPEAL

BRIEF - PATENTS

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

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CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
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I. REAL PARTY IN INTEREST

The subject application is owned by Expedia, Inc., of Bellevue, Washington.

II. RELATED APPEALS AND INTERFERENCES

Upon information and belief, appellant does not have any knowledge of related appeals or interferences that may directly affect or have a bearing on the decision of the Board of Appeals and Interferences (hereinafter, the "Board") in the pending appeal.

III. STATUS OF THE CLAIMS

On August 25, 2000, appellant filed the pending patent application including Claims 1-29. On May 23, 2003, the Examiner issued a first Office Action rejecting Claims 1-29. On August 25, 2003, appellant filed an amendment and response in which Claims 1, 6, 7, 9, 15, and 18 were amended, no claims were canceled, and no claims were added.

On November 24, 2003, the Examiner issued a second Office Action finally rejecting Claims 1-29 under 35 U.S.C. § 102(b) as being anticipated by a prior art reference. On February 5, 2004, and February 10, 2004, appellant's representative conducted telephone interviews with the Examiner. During these telephone interviews, in discussing whether the prior art anticipated the present claims, the Examiner raised two issues of rejection not specifically mentioned in the second Office Action, but recited in the March 18, 2004 Interview Summary/Advisory Action. These issues are: (1) that claim elements that began with the word "if" are written in alternative format, and, therefore, can be disregarded for purposes of distinguishing the claims from the prior art; and (2) that even though a preamble to a claim recites statutory subject matter upon which body of the claim operates, that statutory subject matter must be positively recited in the body of the claims.

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CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

On February 24, 2003, appellant filed an amendment and response in which Claims 1 and 12 were amended, no claims were canceled, and no claims were added.

On March 25, 2004, appellant filed a Notice of Appeal in which appellant requested the Board to reverse the final rejections of Claims 1-29. The claims on appeal, Claims 1-29, are set forth in Section X, Appendix of Claims involved in the appeal.

IV. STATUS OF AMENDMENTS

In response to the Office Action of November 24, 2003, and to the issues raised during the February 5, 2004, and February 10, 2004, telephone interviews, on February 25, 2004, appellant submitted amendments to Claims 1 and 12. Appellant are unable to determine whether these amendments have been entered, or whether they have been denied entry. However, these amendments are set forth in the claims listed under Section X, Appendix of Claims Involved in the Appeal.

The amendments to Claims 1 and 12 are directed at positively reciting statutory subject matter in the body of the claims, consistent with the Examiner's statements during the telephone interviews of February 5, 2004, and February 10, 2004. Appellant believes that these amendments resolve the issue raised by the Examiner during the telephone interviews in regard to reciting statutory subject mater.

V. SUMMARY OF THE INVENTION

Appellant's invention is directed at providing a system and method for matching a customer's offer with a quote from a product provider. In accordance with the present invention, two groups of providers are identified by the system. The first group, called the preferred provider group, includes a group of providers that have specifically negotiated for, or somehow otherwise obtained, an arrangement with the system to receive preferential treatment in

responding to consumer offers. The second group is referred to as the non-preferred provider group. Both groups are made up of providers that offer the sought-for goods.

As members of the preferred provider group, each preferred provider is given an exclusive opportunity to satisfy a customer's offer. In other words, after receiving a customer's offer, the system first turns to the preferred provider group, iterating among the preferred providers, thus giving each preferred provider an opportunity to respond, or satisfy, the customer's offer. As each preferred provider is given its own opportunity to satisfy the customer's offer, as per its negotiated, preferred status, a preferred provider does not expend resources in continually monitoring for such opportunities in order to beat out the competition (which is endemic to other, race-type systems).

With respect to the preferred provider group, each preferred provider is ranked, or ordered, according to preference criteria. Each preferred provider may negotiate for a particular preference ranking among the group of preferred providers. According to the preference ranking of preferred providers, when a customer's offer is received, a preferred provider with a higher preference ranking is given an opportunity to respond to the offer prior to another preferred provider with a lower preference ranking. Thus, when a higher ranked preferred provider satisfies the customer's offer, the offer is not made available to other, lower ranked preferred providers, or to the non-preferred providers.

As mentioned above, the second group of providers is referred to as the non-preferred provider group. The non-preferred provider group includes those providers that offer the sought-for goods, but, for whatever reason, are not members of the preferred provider group. Members of the non-preferred provider group are given an opportunity to satisfy the customer's offer only if a preferred provider did not satisfy the offer. In other words, the non-preferred providers are given an opportunity to respond after the preferred provider group. No order,

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

ranking, or preference is given to members of the non-preferred provider group. The non-preferred providers typically must satisfy the customer's offer in a race-type fashion. It should be noted that, in some circumstances, a provider may be included in both the preferred provider group and the non-preferred provider group.

In operation, in response to receiving a consumer's offer, the system first presents the subject matter of the offer (the goods) to the members of the preferred provider group, beginning with the highest ranked preferred provider to the lowest ranked preferred provider, continuing until the offer is satisfied by a preferred provider or the group of preferred providers is exhausted (i.e., each have been given their opportunity to respond to or satisfy the offer, but have not.)

At each selection of a preferred provider, the currently selected preferred provider is presented with the customer's offer, and in particular, the request for the sought-for goods. The currently selected preferred provider has the opportunity to make one or more quotes in order to satisfy the offer. If at least one quote from the currently selected preferred provider satisfies the consumer's offer, the system completes the transaction between the consumer and the currently selected preferred provider. Once a customer's offer is satisfied by a preferred provider, no further iterations to lower-ranked preferred providers are made, nor is the customer's offer made available to the members of the non-preferred provider group.

A preferred provider may submit multiple quotes to satisfy a customer's offer to purchase the goods. Each quote specifies a price for which the provider is willing to sell the sought-for goods to the customer. Upon receiving multiple quotes from a selected preferred provider, the system orders the quotes according to their price, and selects the quote with the highest price that satisfies the consumer's offer, i.e., is lower than the price that is set in the offer by the customer.

When the group of preferred providers is exhausted, i.e., all preferred providers fail to satisfy the customer's offer, the system presents the offer to the members of the non-preferred

provider group. As mentioned above, the non-preferred providers in the non-preferred provider group are not ranked, and the customer's offer is presented to the non-preferred providers collectively, rather than iteratively. Should more than one non-preferred provider attempt to satisfy the customer's offer, the system could employ predetermined selection criteria to select the "winning" non-preferred provider. Selection criteria may be based on any number of factors, such as maximizing profitability to the system, best competitive price to the customer, or first non-preferred provider to respond to the offer. Other rules or factors may also be utilized.

The present invention offers numerous benefits to all parties. Individual providers can negotiate for a preferential access to customers' offers. In addition to preferential treatment, the present invention creates an incentive for the providers to make competitive offers. The system is benefited because it is able to maximize its profits using the competitive offers from preferred providers, while still meeting the customer's expectations. Customers are also benefited as they receive the requested product at or below the price specified in the offer.

Explanation of the Invention as Defined in the Claims

Claims 1-10

Independent Claim 1 is directed to a method for matching an offer for a product with a quote. The method comprises, at a computer, receiving the offer from a customer. (Specification, pg. 25, line 20 - pg. 26, line 3; Figure 10, box 1003.) After receiving the offer, at least one quote is obtained from a first provider of a group of preferred providers. (Specification, pg. 29, lines 7-22; Figure 12, boxes 1203-1205.) The at least one quote is evaluated to determine whether the at least one quote satisfies the offer. (Specification, pg. 29, line 23 - pg. 30, line 8; Figure 12, box 1207.) If the at least one quote does not satisfy the offer, repeatedly: selecting another preferred provider; obtaining at least one quote from the selected preferred provider; and evaluating the quote to determine whether the at least one quote satisfies the offer, until the offer

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

is satisfied or until the group of preferred providers is exhausted. (Specification, pg. 30, line 5 - pg. 31, line 3; Figure 12, boxes 1205-1215.) Thereafter, if the group of preferred providers is exhausted without satisfying the offer, attempting to satisfy the offer from a group of non-preferred providers. (Specification, pg. 26, lines 13-17; Figure 10, boxes 1007-1009.) If the offer is satisfied either from the group of preferred providers or from the group of non-preferred providers, negotiating the purchase of the product from the provider associated with the satisfying quote. (Specification, pg. 27, lines 9-12; Figure 10, box 1013.)

Claims 2-10 are dependent from Claim 1, and are directed to the following additional recitations. Claim 2 depends from Claim 1 and recites that, when attempting to satisfy the offer from the group of non-preferred providers: obtaining at least one quote from one or more providers in the non-preferred provider group; and if the most competitive quote from a non-preferred provider satisfies the offer, selecting that most competitive quote as the satisfying quote. (Specification, pg. 31, lines 18-24; pg. 35, line 23 - pg. 36, line 8; Figure 13, box 1305.) Claim 3 depends from Claim 2, and recites that the most competitive quote from a non-preferred provider includes the lowest quote provided by a non-preferred provider. (Specification, pg. 31, lines 18-24; pg. 36, lines 10-12; Figure 13, box 1305.) Claim 4 depends from Claim 1, and recites that the product is a travel service. (Specification, pg. 14, line 24 - pg. 15, line 1; pg. 36, lines 14-15; Figure 2, box 224.) Claim 5 depends from Claim 4, and recites that the travel service includes airfare. (Specification, pg. 16, lines 14-21; pg. 36, lines 17-18.)

Claim 6 depends from Claim 1, and recites that evaluating the at least one quote from the selected preferred provider comprises evaluating the quotes from the selected preferred provider in descending order of value, from the highest quote to the lowest quote, and selecting the highest quote that satisfies the offer. (Specification, pg. 29, line 23 - pg. 30, line 5.) Claim 7 depends from Claim 1, and recites that negotiating the purchase of the product associated with

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

the satisfying quote includes making a reservation for a travel service by the provider at a value corresponding to the satisfying quote. (Specification, pg. 26, lines 4-17; Figure 10, box 1013.) Claim 8 depends from Claim 1, and recites that each quote obtained from preferred and non-preferred providers is obtained indirectly through a global distribution system that stores fare information associated with the providers. (Specification, pg. 15, lines 8-10; pg. 37, lines 7-11.) Claim 9 depends from Claim 1, and recites that each preferred provider is associated with a preferred criteria, and evaluating the offers from the preferred provider comprises determining if the quote from the preferred provider satisfies the preferred criteria associated with the preferred provider. (Specification, pg. 30, lines 1-5.) Claim 10 depends from Claim 9, and recites that evaluating the offers from the preferred provider further comprise evaluating the offers from the preferred provider that do not meet the preferred criteria. (Specification, pg. 30, lines 9-14.)

Claim 11

Independent Claim 11 is directed at a computer-readable medium having computer-executable instructions for performing the method described above in regard to Claim 1. (Specification, pg. 38, lines 1-2.)

Claims 12-23

Independent Claim 12 is directed at a computer-readable medium having computer-executable instructions which, when executed on a computer, comprise the method of first receiving a customer's offer, the offer representing a value the customer is willing to pay for a product. After receiving the offer, ranking each provider in a group of preferred providers according to preferred criteria. Thereafter, selecting the highest ranked preferred provider, and attempting to satisfy the customer's offer with the highest ranked preferred provider by determining whether a quote obtained from the preferred provider satisfies the preferred criteria

associated with the highest ranked preferred provider. (Specification, pg. 29, line 7 - pg. 31, line 6.)

Claim 13-23 depend from independent Claim 12 and include further recitations as follows. Claim 13 recites that if the attempt to match the offer with the highest ranked preferred provider is successful, negotiating the purchase of the product from the highest ranked preferred provider. (Specification, pg. 27, lines 12-15; Figure 10, box 1013.) Claim 14 depends from Claim 13, and recites that if the attempt to match the offer with the highest ranked preferred provider is unsuccessful, repeatedly attempting to match the offer with other preferred providers until either the offer is matched or until the plurality of preferred providers is exhausted. (Specification, pg. 30, line 5 - pg. 31, line 3; Figure 12, boxes 1205-1215.) Claim 15 depends from Claim 14, and recites that attempting to match the offer with other preferred providers is performed in descending order of the ranking associated with each preferred provider. (Specification, pg. 30, line 19 - pg. 31, line 3.) Claim 16 depends from Claim 14, and recites that if repeatedly attempting to match the offer with other preferred providers is unsuccessful, attempting to match the offer with one of a plurality of non-preferred providers, and if successful, negotiating the purchase of the product from the matching non-preferred provider. (Specification, pg. 26, line 13 - pg. 27, line 13.) Claim 17 depends from Claim 16, and recites that attempting to match the offer with a non-preferred provider comprises obtaining a quote from one or more non-preferred providers and selecting the lowest quote that satisfies the offer. (Specification, pg. 31, lines 18-24; pg. 36, lines 10-12; Figure 13, box 1305.) Claim 18 depends from Claim 17, and recites that each quote is obtained from each non-preferred provider indirectly through a global distribution system that stores fare information associated with each non-preferred provider. (Specification, pg. 15, lines 8-10; pg. 39, lines 19-23.) Claim 19 depends from Claim 12, and recites that the product includes a travel service. (Specification, pg.

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

14, line 24 - pg. 15, line 1; pg. 40, lines 6-7.) Claim 20 depends from Claim 19, and recites that the travel service includes airfare. (Specification, pg. 16, lines 14-21; pg. 40, lines 9-10.) Claim 21 depends from Claim 14, and recites that each quote is obtained from each preferred provider indirectly through a global distribution system that stores fare information associated with each preferred provider. (Specification, pg. 15, lines 8-10; pg. 40, lines 12-15.) Claim 22 depends from Claim 12, and recites that the preferred criteria is negotiated with the preferred providers. (Specification, pg. 3, lines 1-7.) Claim 23 depends from Claim 12, and recites that the preferred provider criteria comprises a round robin decision process based upon industry market share of the preferred providers. (Specification, pg. 40, lines 20-22.)

Claims 24-29

Independent Claim 24 is directed at a computer system for matching an offer with a quote. The computer system includes an online travel service exchanger including a web server component and a travel server component. (Specification, pg. 15, line 23 - pg. 16, line 1.) The web server component interfaces with a customer machine over a network and receives from the customer machine an offer for a product, the offer including the cost for the product. (Specification, pg. 19, lines 3-19.) The travel server component obtains at least one quote from a plurality of providers. (Specification, pg. 19, lines 20-25.) The plurality of providers comprises two groups: a preferred provider group and a non-preferred provider group. Each of the preferred providers in the preferred provider group have a distinct preference ranking. (Specification, pg. 13, line 10 - pg. 14, line 18.) The online travel service exchanger is configured to attempt to match the offer with each preferred provider in the preferred provider group in descending order of preference. (Specification 13, lines 16-18.)

Claims 25-29 depend from independent Claim 24, and include further recitations as follows. Claim 25 depends from Claim 24, and recites that the online travel service exchanger is

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

further configured to negotiate the purchase of the product from the provider selected as a match for the offer. (Specification, pg. 27, lines 9-15; Figure 10, box 1013.) Claim 26 depends from Claim 24, and recites that the travel server component obtains the quotes from each preferred provider from a global distribution system configured to make available fare information associated with each preferred provider. (Specification, pg. 19, line 20 - pg. 20, line 9.)

Claim 27 depends from Claim 24, and recites that the online travel service exchanger further evaluates quotes provided by each preferred provider in descending order of preference ranking by determining whether the quotes provided satisfy a preference criteria associated with each provider. (Specification, pg. 16, line 22 - pg. 17, line 18.) Claim 28 depends from Claim 24, and recites that the online travel service exchanger attempts to match the offer with one of the non-preferred providers by evaluating quotes supplied by the non-preferred providers to identify a lowest quote and selecting the lowest quote as the matching quote. (Specification pg. 14, lines 13-18.) Claim 29 depends from Claim 28, and recites that the travel server component obtains the quotes from the non-preferred providers from a global distribution system configured to make available fare information associated with each non-preferred provider. (Specification, pg. 19, line 20 - pg. 20, line 9.)

VI. ISSUES PRESENTED FOR REVIEW

In the November 24, 2003, final Office Action (hereinafter "Office Action"), Claims 1-29 were rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,794,207, to Walker et al. (hereinafter "Walker et al."). Additionally, while not stated in the Office Action, in the telephone interviews of February 5, 2004, and February 10, 2004, and as summarized in the March 18, 2004, Advisory Action/Interview Summary, the Examiner indicated two additional reasons for rejection: (1) that substantial recitations of independent Claim 1 were written in an alternative form and, accordingly, were disregarded in distinguishing the claim from the prior art;

and (2) that Claim 1 failed to positively recite statutory subject matter in the body of the claim.

Accordingly, the issues presented for review are as follows:

1. whether Claims 1-29 are anticipated by Walker et al.,
2. whether claim elements that begin a recitation with the word "if" may be disregarded for purposes of distinguishing the claims from the prior art, and
3. whether Claims 1 and 12 recite statutory subject matter.

These issues will be discussed below in greater detail. However, in order to provide a basis for understanding and appreciating the arguments set forth below, appellant presents a brief summary of the 35 U.S.C. § 102(b) reference, Walker et al.

Summary of Walker et al.

Walker et al. present a system for brokering the sale of items between a buyer and sellers. Under the Walker et al. system, a consumer submits a conditional purchase offer for goods to a central controller. Each conditional purchase offer (hereafter "CPO") identifies the sought-for goods and a specific price that the buyer is willing to pay for the sought-for goods. A CPO may also specify other conditions relating to the sought-for goods, such as condition, quality, and the like. A CPO represents a binding contract by the buyer, conditioned on whether a seller is willing to sell the sought-for goods specified in the CPO according to the terms of the CPO, including the specified price.

Upon receiving a CPO from a buyer, the Walker et al. system first validates whether the buyer is financially able to complete the transaction, i.e., purchase the sought-for goods according to the terms of the CPO, if accepted by a seller. If the system determines that the buyer is not financially able to complete the transaction, the CPO is not further processed.

Assuming that the buyer is financially able to complete the transaction, the Walker et al. central controller stores the CPO in a CPO database. The CPO database is organized according

to the CPO's sought-for product in order to facilitate the sellers in finding offers that are relevant to them, or in other words, finding offers for sought-for products that the sellers sell.

Sellers review the CPOs in the CPO database. Any seller offering the sought-for goods of a buyer's CPO may accept/fulfill that CPO. To accept/fulfill the buyer's CPO, a seller returns a response, called an acceptance, to the Walker et al. system indicating the seller's desire to fulfill the CPO. The seller that responds first to the CPO is selected to fulfill the CPO. Clearly, in order to effectively compete for the buyer's business, each seller is pressured to accept/fulfill the CPO as quickly as possible. For the sellers, failure to respond with utmost haste typically means the loss of a sale. Those skilled in the art recognize the Walker et al. system as a first-to-respond or race system.

VII. GROUPING OF CLAIMS

Claims 1-5 and 7-11 stand or fall together. Claim 6 stands or falls alone. Claims 12-15 and 18-23 stand or fall together. Claims 16-17 stand or fall together. Claims 24-27 stand or fall together. Claims 28-29 stand or fall together.

VIII. ARGUMENTS

Issue 1: Whether the present claims are anticipated under 35 U.S.C. § 102(b) by Walker et al.

Claims 1-5 and 7-11

Claim 1

In regard to independent Claim 1, appellant asserts that Walker et al. fail to disclose each and every element.

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

Walker et al. Fail To Disclose Two Groups Of Providers For Satisfying A
Customer's Offer: A Preferred Provider Group And A Non-Preferred
Provider Group.

As a preliminary matter, Claim 1 recites two groups of providers, a preferred provider group and a non-preferred provider group, both of which are used by the system to attempt to satisfy a customer's offer. In particular, Claim 1 includes the following recitations that clearly recite the two groups:

"selecting a preferred provider from a **group of preferred providers**;"
"selecting another preferred provider from the group of preferred providers;" and
"attempting to satisfy the offer from a **group of non-preferred providers**."

The final Office Action asserts that Walker et al. disclose both a preferred and non-preferred provider group. On page 3 of the final Office Action, the Office Action describes that the Walker et al. system, upon receiving a buyer's CPO, lists the CPOs by subject matter category "to make it easier for the potential sellers to identify the relevant CPOs." Additionally, the final Office Action states that potential sellers "may be required to provide qualifications in order to view the CPOs of a given subject matter," and that organizing the CPOs by subject matter and requiring qualifications to view the CPOs "are considered the selecting of a preferred provider from a preferred provider group." The final Office Action reiterates, on page 4, that "verifying of a seller based on the ability to deliver and provide the specific goods are considered a preferred provider group."

Assuming, solely for the purpose of argument, that the group of providers that are able "to deliver and provide the specific goods" constitute a preferred provider group, the final Office Action fails to disclose a non-preferred provider group from which the offer is attempted to be satisfied. If the preferred provider group is comprised of those sellers/providers that are able "to

deliver and provide the specific goods," as asserted in the final Office Action, it logically follows that the non-preferred provider group must be comprised of those sellers/providers that cannot deliver or provide the specific goods. However, that would require the Walker et al. system to present a customer's offer to a group of providers that do not sell the sought-for goods. Walker et al. make no such nonsensical disclosure.

On the other hand, the final Office Action (on pages 5-6) alternatively identifies a non-preferred provider group as "remotely located sellers who normally would not be able to afford to find the buyer with the exact deal the buyer desires," citing Walker et al., Col. 10, lines 40-55 for support. This cited passage in Walker et al. is part of a larger collection of paragraphs extolling the benefits of the Walker et al. system., and in particular, states that the Walker et al. system "also allows buyers to reach a large number of remotely located sellers who normally would not be able to afford to find the buyer, but who may be able to provide the buyer with the exact deal the buyer desires." Applicant asserts that the Office Action mischaracterized the benefits extolled by the authors of the Walker et al. system, twisting it into a non-preferred provider group. This, of course, is in contradiction to the Office Action's earlier assertion that sellers able to provide the buyer the sought-for goods belong in the preferred provider group, as the remotely located sellers are "able to provide the buyer with the exact deal the buyer desires." (Walker et al., Col. 10, lines 40-43.) In other words, based on the Office Action's earlier identification of preferred providers, remotely located sellers should be considered as preferred providers.

Nevertheless, for the sake of argument, assuming that the remotely located sellers referenced in Walker et al. could somehow be characterized as a non-preferred provider group, which applicant expressly denies, it would logically follow that the preferred provider group would comprise those sellers that are proximately located to the buyer. Walker et al. make no

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

such distinction as to locality when obtaining acceptances from sellers in response to a buyer's CPO. In other words, even if the remotely located sellers can be viewed as a non-preferred provider group, Walker et al. utterly fail to disclose attempting to satisfy an offer from the proximately located providers and, failing that, from remotely located providers.

Accordingly, appellant asserts that Walker et al. fail to disclose two groups of providers, a preferred provider group and a non-preferred provider group, to **both** of which the system may turn to satisfy a buyer's offer. Moreover, appellant asserts that the final Office Action's definition of two groups, as applied in Claim 1, is contradictory and nonsensical.

Walker et al. Fail To Disclose Evaluating A Quote From A Selected Provider To Determine If The Quote Satisfies The Offer

On pages 4-5 of the final Office Action, the Office Action discusses how CPOs are stored in a CPO database, posted to the potential sellers, that multiple sellers may bind a CPO, and that the CPO database maintains a CPO in an active state "until a given number of sellers have responded and only then is the status changed to completed." The final Office Action then asserts that this description is the equivalent to various recitations of Claim 1, including the following recitation: "evaluating the at least one quote from the selected preferred provider to determine if the at least one quote satisfies the offer." Appellant disagrees.

As discussed above, the Walker et al. system accepts a CPO from a buyer, the CPO specifying the sought-for goods as well as the price that the buyer is willing to pay for those goods. (Walker et al., Col. 8, lines 42-56.) A seller either accepts the CPO, by communicating the intent to accept the CPO to the Walker et al. system, or does not accept the CPO. (Walker et al., Col. 9, lines 17-19.) In either case, the seller does not submit a quote for the item because the buyer establishes the price in the CPO. In other words, there is no seller's quote to evaluate in order to determine if it satisfies the offer. Beginning at Col. 4, line 31, and continuing to Col. 7,

line 7, Walker et al. goes to great lengths to clearly identify the terms of contract, including offer, acceptance, contract formation, etc. This discussion in Walker et al. conforms to established contract law, and thus, clearly identifies what Walker et al. means when it describes "offer," "CPO," and "acceptance." Clearly, Walker et al.'s "acceptance" means nothing more assenting to the terms of the buyer's CPO, and certainly does not equate to obtaining a quote from the seller.

Furthermore, even assuming that a communicated intent to accept is the equivalent of a quote, which appellant expressly denies, there is no evaluation step to "determine if the at least one quote satisfies the offer." Walker et al. simply disclose that the CPO is either accepted on the buyers terms, including price, or it is not accepted. The fact that the Walker et al. system may permit multiple sellers to accept a CPO is entirely distinct from evaluating at least one quote from a preferred provider to determine if the quote satisfies the offer.

Walker et al. disclose that, in some circumstances such as after a CPO expires, sellers may submit counter-offers to the buyer. (Walker et al., Col. 22, line 40, to Col. 23, line 18.) Appellant asserts that sellers submitting counter-offers to the buyer is not the equivalent of "evaluating the at least one quote from the selected preferred provider to determine if the at least one quote satisfies the offer," as recited in Claim 1. Counter-offers are submitted after a buyer's CPO expires. In other words, counter-offers are offers from the seller to the buyer, not quotes from a seller to satisfy an offer, and counter-offers are submitted after a buyer's CPO is expired. Accordingly, there is no longer a buyer's offer to satisfy. Clearly, counter-offers, submitted after a buyer's CPO has expired, can hardly be viewed as "evaluating the at least one quote from the selected preferred provider to determine if the at least one quote satisfies the offer."

Appellant asserts that Walker et al. fail to disclose "evaluating the at least one quote from the selected preferred provider to determine if the at least one quote satisfies the offer." Appellant asserts that the final Office Action's characterization that holding a CPO open until a

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CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

given number of sellers have accepted the CPO is the equivalent of "evaluating the at least one quote from the selected preferred provider to determine if the at least one quote satisfies the offer" is in error.

Walker et al. Fail To Disclose Attempting To Satisfy The Offer From The Group
Of Non-Preferred Providers When The Group Of Preferred Providers Is
Exhausted

As already discussed above, appellant points out that Walker et al. fail to disclose two groups of providers, a preferred provider group and a non-preferred provider group, for satisfying a customer's offer. As there is no group of non-preferred providers, Walker et al. cannot disclose that "if the group of preferred providers is exhausted without satisfying the offer, attempting to satisfy the offer from a group of non-preferred providers," as recited in Claim 1.

However, even assuming that Walker et al. discloses two groups of providers, which appellant expressly denies, Walker et al. still fail to disclose "attempting to satisfy the offer from a group of non-preferred providers." In other words, if the final Office Action's logical definition of non-preferred providers, i.e., those not able to provide and deliver the goods, are in fact the group of non-preferred providers, then Walker et al. clearly fail to disclose turning to the non-preferred providers after failing to satisfy the offer with the preferred providers. Of course, it would be ridiculous to suggest that a system, after failing to obtain offers from sellers dealing in sought for goods, would turn to sellers unable to deliver the sought-for goods for counter-offers.

Alternatively, if the group of non-preferred providers could possibly be the remotely located providers, which applicants expressly deny, Walker et al. entirely fail to disclose turning to the remotely located providers after the preferred providers (i.e., the proximately located

sellers) fail to satisfy the offer. In other words, Walker et al. entirely fail to disclose obtaining quotes or acceptances based on proximity to the buyer.

As Walker et al. Fail To Disclose Each Element Of Claim 1, The 35 U.S.C.

§ 102(b) Rejection Was Improper

A rejection under "35 U.S.C. § 102 requires a finding that **each and every limitation** is found either expressly or inherently in a single prior art reference. See, *Transclear Corp. v. Bridgewood Services, Inc.*, 290 F.3d 1364, 1370 (Fed. Cir. 2002). (Emphasis added.) See also, *Structural Rubber Products Co. v. Park Rubber Co.*, 749 F.2d 707, 223 USPQ (BNA) 1264 (Fed. Cir. 1984). As Walker et al. fail to disclose each and every limitation, either expressly or inherently, appellant asserts that the 35 U.S.C. § 102(b) was improper, and further asserts that Claim 1 is in condition for allowance. Accordingly, appellant requests that the Board reverse the final Office Action's 35 U.S.C. § 102(b) rejection of Claim, and allow the claim.

Claims 2-5 and 7-11

Claims 2-5 and 7-10 depend from independent Claim 1. Accordingly, for the same reasons described above in regard to Claim 1, appellant submits that Walker et al. fail to disclose each element of Claims 2-10, especially when read in conjunction with independent Claim 1. Accordingly, appellant submits that the 35 U.S.C. § 102(b) rejections of Claims 2-10 were improper, and requests that the Board reverse the rejections and allow the claims.

Independent Claim 11 is directed to a computer-readable medium having computer-executable instructions which, when executed on a computer, carry out the method recited in Claim 1. Thus, for the same reasons described above in regard to Claim 1, appellant submits that Walker et al. fail to disclose each element of Claim 11. Accordingly, appellant submits that the 35 U.S.C. § 102(b) rejection of Claims 11 was improper, and requests that the Board reverse the rejection and allow the claim.

Claim 6

Claim 6 depends from independent Claim 1. Thus, for the same reasons described above in regard to Claim 1, appellant submits that Walker et al. fail to disclose each element of Claim 6, especially when read in conjunction with independent Claim 1. However, appellant asserts that Claim 6 includes additional recitations that further distinguish it from Walker et al. More particularly, appellant asserts that Walker et al. fail to disclose the following recitation from Claim 6:

"evaluating the quotes provided by the selected preferred provider in descending order of value, from the highest quote to the lowest quote, and selecting the highest quote that satisfies the offer."

The final Office Action cites several passages in Walker et al. as disclosing the above recitation. However, an examination of each of the cited passages, discussed below, indicates that Walker et al. fail to disclose the above recitation.

The final Office Action cited Walker et al., Col. 20, lines 5-15 in support of the assertion that the Walker et al. system holds open a CPO to permit multiple sellers to accept the CPO. However, this is entirely different from evaluating quotes from one selected preferred provider as recited in Claim 6. In other words, while the Walker et al. system permits more than one seller to accept a CPO, the Walker et al. system does not evaluate multiple quotes from the **same** selected provider.

Furthermore, there is no mention of evaluating the plurality of quotes from the selected provider in descending order of value. Of course, in Walker et al., evaluating the acceptances in order of value is nonsensical because, as those skilled in the art will recognize, each acceptance is for the same value. In other words, an acceptance is an indication that the seller accepts the

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CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

CPO on the CPO's terms, and thus each acceptance has no value or, alternatively, has the same value. In either case, it would be pointless to sort acceptances according to value.

The final Office Action cites other passages in Walker et al. in rejecting Claim 6, particularly Walker et al., Col. 20, lines 9-12, and lines 14-15. In each case, the Walker et al. system is disclosing that multiple sellers can accept a buyer's CPO. However, as mentioned above, this is entirely and patentably distinct from evaluating multiple quotes from the same selected provider.

Accordingly, appellant submits that Walker et al. fail to disclose "evaluating the quotes provided by the selected preferred provider in descending order of value, from the highest quote to the lowest quote, and selecting the highest quote that satisfies the offer." Equating the above discussed passages to the recitations of Claim 6 is a mischaracterization of the passages.

In light of the above-discussed reasons, appellant submits that Walker et al. fail to disclose each element of Claim 6. Appellant therefore submits that the 35 U.S.C. § 102(b) rejection of the claim was improper, and requests that the Board reverse the rejection and allow the claim.

Claims 12-15 and 18-25

Claim 12

The final Office Action asserts that Walker et al. disclose each element of independent Claim 12. Appellant disagrees, and asserts that Walker et al. fail to disclose the following elements of Claim 12:

"ranking each preferred provider in a plurality of preferred providers according to a preferred criteria;"

"selecting a highest ranked preferred provider from the plurality of preferred providers;" and

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CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

"attempting to match the offer from the customer with the highest ranked preferred provider by **determining whether a quote obtained from the highest ranked preferred provider satisfies the preferred criteria associated with the highest ranked preferred provider.**"

Walker et al. Fail To Disclose Ranking Preferred Providers

The final Office Action cites Walker et al., Col. 9, lines 5-30; Col. 18, lines 27-31; and Col. 13, lines 35-38, as disclosing "ranking each preferred provider from a plurality of preferred providers." As will be illustrated in the following paragraphs addressing each passage, appellant disagrees.

Walker et al., Col. 9, lines 5-30, discuss that the Walker et al. system maintains the CPO database, that qualified sellers may view a CPO, and that the CPO remains active until a qualified seller accepts it. In this passage, the Office Action apparently asserts that qualified sellers are the equivalent of preferred providers. While appellant expressly disagrees that qualified sellers are the equivalent of preferred providers, for the sake of argument, we assume that it is so. Therefore, assuming Walker et al. disclose preferred providers, we note that this passage still fails to disclose, teach, or suggest "ranking each preferred provider," as recited in Claim 12.

Walker et al., Col. 18, lines 27-31, states "In an alternative embodiment, CPO 100 is electronically mailed to potential sellers. Potential sellers could elect to receive all CPOs 100, only those CPOs 100 in their subject area, or a subset of CPOs 100 representing a particular condition." Even assuming that potential sellers may be viewed as preferred providers, which appellant expressly denies, clearly there is absolutely nothing in this passage remotely resembling "ranking each preferred provider," as recited in Claim 12.

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

Walker et al., Col. 13, lines 35-38, states "Seller response database 270 tracks all seller responses 110 with fields such as seller name, seller ID number, date, time, seller response tracking number, and associated CPO tracking number." Assuming that somehow this passage discloses that a seller may be viewed as a preferred provider, which appellant expressly denies, there is, again, absolutely nothing in this passage remotely resembling "ranking each preferred provider," as recited in Claim 12. In fact, appellant asserts that if Walker et al. disclosed ranking sellers, which it does not, such rank information would be contained in the seller response database. However, as a review of this passage indicates, rank information is not included in the database. Walker et al. simply does not disclose ranking preferred providers.

Walker et al. Fail To Disclose Selecting The Highest Ranked Preferred Providers

The final Office Action cites Walker et al., Col. 19, lines 13-28; and Col. 20, lines 5-15, as disclosing "selecting a highest ranked preferred provider from the plurality of preferred providers." As will be illustrated in the following paragraphs addressing each passage, appellant disagrees.

Walker et al., Col. 19, lines 13-28, describes how a seller binds a CPO. In particular, the seller selects a likely CPO, submits a response to the system indicating the seller's willingness to fulfill the CPO, the system authenticates that the seller can complete the CPO, and the system timestamps the response in case of race conditions with another seller. As can be seen, even if the sellers are preferred providers, which appellant expressly denies, this passage fails to disclose "selecting a highest ranked preferred provider."

Walker et al., Col. 20, lines 5-15, as already discussed above, disclose that the Walker et al. system holds open a CPO to permit multiple sellers to accept the CPO; that a given number of sellers may be able to respond/accept before a CPO is considered closed, or that any number of sellers may accept up to the funds available by the buyer. Even assuming that the sellers are

preferred providers, which appellant expressly denies, this passage clearly fails to disclose "selecting a highest ranked preferred provider." In fact, this passage teaches away from selecting a highest ranked preferred provider, as it, instead, discloses that multiple sellers may bind a single CPO.

Walker et al. Fail To Disclose Attempting To Match The Offer From The
Customer With The Highest Ranked Preferred Provider By Determining
Whether A Quote Obtained From The Highest Ranked Preferred Provider
Satisfies The Preferred Criteria Associated With The Highest Ranked
Preferred Provider

The final Office Action cites Walker et al., Col. 19, lines 55-60; and Col. 20, lines 5-15, as disclosing "attempting to match the offer from the customer with the highest ranked preferred provider by determining whether a quote obtained from the highest ranked preferred provider satisfies the preferred criteria associated with the highest ranked preferred provider." As will be illustrated in the following paragraphs addressing each passage, appellant disagrees.

Walker et al., Col. 19, lines 13-28, describes that a seller may transmit the seller's response directly to buy (as opposed to the Walker et al. system), and that the buyer may choose to verify the response with the Walker et al. system, or accept the response without verification. In addition to failing to disclose information regarding a highest ranked provider (as discussed above), nothing in this passage is directed to determining whether a quote obtained from the highest ranked preferred provider satisfies preferred criteria associated with the highest ranked preferred provider.

Walker et al., Col. 20, lines 5-15, as already discussed multiple times above, disclose that a CPO is held open to permit multiple sellers to accept the CPO; that a given number of sellers may be able to respond/accept before a CPO is considered closed, or that any number of sellers

may accept up to the funds available by the buyer. Clearly, this passage fails to disclose a highest ranked preferred provider, and further fails to disclose determining whether a quote obtained from the highest ranked preferred provider satisfies preferred criteria associated with the highest ranked preferred provider.

Appellant submits that Walker et al. clearly fail to disclose each element of independent Claim 12. Appellant therefore submits that the 35 U.S.C. § 102(b) rejection of this claim was improper, and requests that the Board reverse the rejection and allow the claim.

Claims 13-15 and 18-25

Claims 13-15 and 18-25 depend from independent Claim 12. Accordingly, for the same reasons described above in regard to Claim 12, appellant submits that Walker et al. fail to disclose each element of Claims 13-15 and 18-25, especially when these claims are read in conjunction with independent Claim 12. Accordingly, appellant submits that the 35 U.S.C. § 102(b) rejections of Claims 13-15 and 18-25 were improper, and requests that the Board reverse the rejections and allow the claims.

Claim 15

In addition to the above identified reasons, Claim 15 includes additional elements that further distinguish it from Walker et al. More particularly, Walker et al. fail to disclose the following recitation:

"wherein attempting to match the offer with other preferred providers is performed in descending order of the ranking associated with each preferred provider."

As already discussed, Walker et al. clearly fail to disclose ranking any providers, let alone ranking preferred providers. As Walker et al. clearly fail to disclose ranking preferred providers, Walker et al. cannot and does not disclose attempting to match the offer with other preferred providers in a descending order of ranking. The final Office Action cites Walker et al., Col. 19,

lines 13-60 as disclosing this selection order. However, as already discussed above, this passage is directed to how the Walker et al. system responds to a seller's acceptance. Nothing in this passage indicates that the acceptance is performed in a descending manner among a plurality of preferred providers.

Appellant submits that Walker et al. clearly fail to disclose the elements of Claim 15, submits that the 35 U.S.C. § 102(b) rejection was improper, and requests the Board to reverse the rejection and allow the claim.

Claims 16-17

In regard to Claims 16 and 17, these claims recite similar elements to those described above in regard to Claim 1. In particular, Claims 16 and 17 recite the following elements:

(Claim 16) "if repeatedly attempting to match the offer with other preferred providers is unsuccessful, attempting to match the offer with one of a plurality of non-preferred providers, and, if successful, negotiating a purchase of the product from the matching non-preferred provider," and

(Claim 17) "attempting to match the offer with one of the plurality of non-preferred providers comprises obtaining from one or more non-preferred providers a quote to provide the product, and selecting a lowest quote from the quotes provided that satisfies the offer."

Claim 16, in combination with Claim 12, refers to both a preferred provider group and a non-preferred provider group, both of which are used to satisfy the customer's offer. However, as already discussed above, Walker et al. fail to disclose both a preferred provider group and a non-preferred provider group.

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

Claim 17, describes obtaining quotes from the non-preferred providers and selecting the lowest quote that satisfies the customer's offer. The final Office Action cites Walker et al., Col. 23, line 40 - Col. 24, line 18, as disclosing this. Appellant disagrees.

As already indicated, the Walker et al. system is one in which a buyer submits a CPO (which specifies the goods and the price), and a seller either accepts the CPO or rejects it (by not accepting it). The CPO is accepted on its terms. Thus, assuming that the Walker et al. system actually disclosed a non-preferred provider group, which appellant expressly denies, it would make no sense for the Walker et al. system to collect acceptances from the non-preferred providers and select the lowest acceptance that satisfies the offer. There is no value associated with the acceptance, or alternatively, there is no variance from the CPOs price, so Walker et al. cannot disclose a lowest acceptance as they are all the same.

The cited passage, Walker et al., Col. 23, line 40 - Col. 24, line 18, discuss how a buyer may use a travel agent, an interactive voice response unit, or a telephone to submit the CPO to the Walker et al. system. This passage also discusses cryptographic authentication of the buyer. It is clearly not directed to "obtaining from one or more non-preferred providers a quote to provide the product, and selecting a lowest quote from the quotes provided that satisfies the offer," as recited in Claim 17.

Clearly, for the additional reasons discussed above, Walker et al. fail to disclose each element of Claims 16 and 17, especially when read in combination with independent Claim 12. Appellant therefore asserts that the 35 U.S.C. § 102(b) rejections of Claims 16 and 17 were improper, and requests that the Board reverse the rejections and allow the claims.

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CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

Claims 24-27

Claim 24

The final Office Action rejected independent Claim 24 as being anticipated by Walker et al. Appellant disagrees, and submits that Walker et al. fail to disclose each and every element of Claim 24. In particular, Walker et al. fail to disclose the following elements of Claim 24:

"a travel server component configured to obtain at least one quote associated with each provider in a plurality of providers to provide the product at a cost, the plurality of providers comprising at least two groups: a preferred providers group and a non-preferred providers group, each preferred provider having a distinct preference ranking;" and

"the online travel service exchanger being further configured to attempt to match the offer with each preferred provider in the preferred providers group in descending order of preference."

Appellant submits that in this claim recites that at least one quote is obtained from **each** provider of **both the preferred provider group and the non-preferred provider group**. As already mentioned above, Walker et al. fail to disclose obtaining quotes from two identifiable groups.

The final Office Action cites to Walker et al., Col. 15, lines 31-44 and Col. 16, lines 12-45, as disclosing the two groups of providers, and Col. 16, lines 12-45 as disclosing matching the offer to a quote from each preferred provider in descending order of value. Appellant disagrees.

Walker et al., Col. 15, lines 31-44, discusses that there are numerous software applications available for a seller and/or buyer to use to communicate with the Walker et al. system, such as Eudora Pro and Netscape Navigator. Appellant fails to see, and believe that the Board will similarly be unable to see, how this passage could possibly be interpreted as

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

describing a plurality of sellers "comprising at least two groups: a preferred providers group and a non-preferred providers group, each preferred provider having a distinct preference ranking."

Walker et al., Col. 16, lines 12-45, discuss the process of how the buyer creates the CPO, including establishing conditions upon which a seller may accept the CPO. "For example, the buyer could create CPO 100 which offered to buy airline tickets only in the event that it was snowing in November in the destination city." (Walker et al., Col. 16, lines 41-45.) Again, Appellant fails to see, and believe that the Board will similarly be unable to see, how this passage could possibly be interpreted as describing a plurality of sellers "comprising at least two groups: a preferred providers group and a non-preferred providers group, each preferred provider having a distinct preference ranking." Additionally, appellant fails to see how this passage is construed to disclose "attempt[ing] to match the offer with each preferred provider in the preferred providers group in descending order of preference."

As clearly illustrated above, Walker et al. fail to disclose each element of independent Claim 24. Appellant, therefore, submits that the 35 U.S.C. § 102(b) rejection of Claim 24 as being anticipated by Walker et al. was in error, and requests that the Board reverse the rejection and allow the claim.

Claims 25-27

Claims 25-27 depend from independent Claim 24. Accordingly, for the same reasons described above in regard to Claim 24, appellant submits that Walker et al. fail to disclose each element of Claims 25-27, especially when these claims are read in conjunction with independent Claim 24. Accordingly, appellant submits that the 35 U.S.C. § 102(b) rejections of Claims 25-27 were improper, and requests that the Board reverse the rejections and allow the claims.

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CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

Claims 28-29

Claim 28 depends from independent Claim 24. Thus, for the same reasons described above in regard to Claim 24, appellant submits that Walker et al. fail to disclose each element of Claim 28, especially when read in conjunction with independent Claim 24. However, appellant asserts that Claim 28 includes additional recitations that further distinguish it from Walker et al. More particularly, appellant asserts that Walker et al. fail to disclose the following recitation from Claim 28:

"evaluating quotes supplied by the non-preferred providers to identify a lowest quote and selecting the lowest quote as the matching quote."

As discussed above, Walker et al. fail to disclose a group of non-preferred providers. Also discussed above, Walker et al. further fail to disclose evaluating quotes. Walker et al. disclose obtaining acceptances, perhaps multiple acceptances, from providers. Acceptances mean that the seller accepts the terms, including price, specified by the buyer in the CPO. Because the seller must accept the buyer's CPO on its terms, there can be no disclosure of Walker "evaluating quotes supplied by the non-preferred providers to identify a lowest quote and selecting the lowest quote as the matching quote."

As Walker fail to disclose each element of Claim 28, appellant requests that the Board reverse the 35 U.S.C. § 102(b) rejection of this claim and allow it.

Claim 29 depends from Claim 28. Thus, for the same reasons described above, appellant asserts that Claim 29 is also allowable over Walker et al., and requests that the Board reverse the 35 U.S.C. § 102(b) rejection of this claim and allow it.

LAW OFFICES OF
CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

Issue 2: Whether Claim Elements That Begin With "If" May Be Disregarded In Distinguishing

The Claim From The Prior Art

In the telephone interviews of February 5, 2004, and February 10, 2004, the Examiner indicated that various elements of the pending claims were not given patentable weight. In particular, the Examiner indicated that claim elements that began with the word "if" were considered to be written in alternative form and were not given patentable weight. The net effect of not according patentable weight to various elements of the claims appeared to be to disregard those claim elements entirely.

Appellant asked that the Examiner provide legal support in disregarding claim elements that begin with the word "if" and, in response, was directed to M.P.E.P. § 2106, and to *Cochrane v. Deener*, 94 U.S. 780 (1876). Appellant has searched the M.P.E.P. § 2106 but cannot find reference to not according patentable weight to claim elements that begin with "if." Additionally, appellant reviewed *Cochrane* and could not find any suggestion that "if" clauses may be disregarded as being written in alternative form. However, to the contrary, appellant found support for the proposition that "all words in a claim must be considered in judging the patentability of that claim against the prior art." *In re Wilson*, 424 F.2d 1382, 1385, 165 U.S.P.Q. 494, 496 (C.C.P.A. 1970). See also, M.P.E.P. § 2143.03, stating that "[t]o establish a prima facie case of obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art." (Emphasis added.)

Appellant further notes that numerous patents have been issued since January 1, 2004, that include "if" clauses in the body of the independent claims, many of which are from Class 705, i.e., the same class as the present application. For example, the following table identifies a few recently issued U.S. patents (since January 1, 2004) where one or more

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

independent claim includes one or more entire clauses that begin with the word "if." Those issued patents marked with "*" indicate Class 705 patents.

U.S. Patent No. 6,741,724 to Bruce, et al., issued May 25, 2004

U.S. Patent No. 6,735,574* to Bull, issued May 11, 2004

U.S. Patent No. 6,732,361 to Andreoli, et al., issued May 4, 2004

U.S. Patent No. 6,728,686* to Kasai, et al., issued April 27, 2004

U.S. Patent No. 6,721,613 to Yamamoto, et al., issued April 13, 2004

U.S. Patent No. 6,718,310* to Fuisz, et al., issued April 6, 2004

U.S. Patent No. 6,715,079 to Maytal, et al., issued March 30, 2004

U.S. Patent No. 6,714,947 to Fa, issued March 30, 2004

U.S. Patent No. 6,714,933 to Musgrove, et al., issued March 30, 2004

U.S. Patent No. 6,713,689 to Eaton, et al., issued March 30, 2004

U.S. Patent No. 6,711,682 to Capps, issued March 23, 2004

U.S. Patent No. 6,711,463 to Tozuka, et al., issued March 23, 2004

U.S. Patent No. 6,705,519 to Goodwin, III, issued March 16, 2004

U.S. Patent No. 6,704,715* to Rosset, et al., issued March 9, 2004

U.S. Patent No. 6,701,486 to Weber, et al., issued March 2, 2004

U.S. Patent No. 6,697,944 to Jones, et al., issued February 24, 2004

U.S. Patent No. 6,696,920 to Goodwin, III, et al., issued February 24, 2004

U.S. Patent No. 6,694,300* to Walker, et al., issued February 17, 2004

U.S. Patent No. 6,684,117 to Bacin, et al., issued January 27, 2004

U.S. Patent No. 6,681,210* to Kelly, issued January 20, 2004

U.S. Patent No. 6,678,724 to Eringis, et al., issued January 13, 2004

U.S. Patent No. 6,678,516 to Nordman, et al., issued January 13, 2004

LAW OFFICES OF
CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{LLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

Based on the above sampling of recently issued patents that (1) have at least one independent claim that (2) begins an entire clause with the word "if," appellant asserts that disregarding such language in the present invention is not founded on a proper/legal basis, is clearly contrary to the practice of the U.S.P.T.O, and amounts to a capricious rejection of the claims.

Appellant notes that independent Claim 1 is the only independent claim that includes clauses that begin with the word "if." However, based on the rejections of all independent claims in the final Office Action and during the telephone interviews, it is believed that this disregard for certain claim elements extended beyond just Claim 1 to the other independent claims which do not include an "if" clause.

Appellant asserts that "all words in a claim must be considered in judging the patentability of that claim against the prior art." *In re Wilson*, 424 F.2d 1382, 1385, 165 U.S.P.Q. 494, 496 (C.C.P.A. 1970). In light of the Examiner's comments in the telephone interviews of February 5, 2004, and February 10, 2004, and rejection in view of Walker et al., appellant believes that numerous claim elements were impermissibly disregarded during examination. Accordingly, appellant requests that the Board reverse the Examiner's disregard of claim elements that begin with "if," and direct that these elements be give full patentable weight in examination.

Issue 3: Whether Claim 1 recites statutory subject matter in the body of the claims

While not raised in the final Office Action, the Examiner stated in the above-referenced telephone interviews, as an apparent quasi-rejection, that Claims 1 and 6 failed to positively recite statutory subject matter in the body of the claims. Thus, to advance the prosecution of the present application, in appellant's February 24, 2004 Office Action response, appellant amended Claims 1 and 6 to positively recite statutory subject matter previously found in the preamble into

LAW OFFICES OF
CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

the body of the claims. Appellant asserts that Claims 1 and 6, as amended, properly recite statutory subject matter. Therefore, appellant requests that the Board reverse this rejection.

IX. CONCLUSION

In view of the foregoing remarks, appellant submits that Walker et al. fail to disclose each element of pending Claims 1-29. Appellant further submits that the claims recite the statutory subject matter in the body of the claims. Therefore, it is submitted that the Examiner's rejections of Claims 1-29 were erroneous. A reversal of the Examiner's rejections, and allowance of the claims, is respectfully requested.

X. APPENDIX OF CLAIMS INVOLVED IN THE APPEAL

1. A computer-implemented method of matching an offer for a product with a quote, comprising:

at a first computer:

receiving the offer from a customer;

selecting a preferred provider from a group of preferred providers; (2

obtaining at least one quote for the product from the selected preferred provider;]

evaluating the at least one quote from the selected preferred provider to determine

Close [if the at least one quote satisfies the offer;

if the at least one quote from the selected preferred provider does not satisfy the offer, repeatedly:

selecting another preferred provider from the group of preferred providers;

obtaining at least one quote for the product from the selected preferred provider;

provider; and

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1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

evaluating the at least one quote from the selected preferred provider to determine if the at least one quote satisfies the offer; until the offer is satisfied or until the group of preferred providers is exhausted; if the group of preferred providers is exhausted without satisfying the offer, attempting to satisfy the offer from a group of non-preferred providers; and if the offer is satisfied from either the group of preferred providers or the group of non-preferred providers, negotiating the purchase of the product from the provider associated with the satisfying quote.

2. The computer-implemented method of claim 1, wherein attempting to satisfy the offer from the group of non-preferred providers comprises:

obtaining at least one quote from one or more non-preferred providers in the group of non-preferred providers;

evaluating the at least one quote obtained from each non-preferred provider to determine a most competitive non-preferred quote; and

if the most competitive non-preferred quote can satisfy the offer, selecting the most competitive non-preferred quote as the satisfying quote.

3. The computer-implemented method of claim 2, wherein the most competitive non-preferred quote includes the lowest quote provided by a non-preferred provider.

4. The computer-implemented method of claim 1, wherein the product is a travel service.

5. The computer-implemented method of claim 4, wherein the travel service includes airfare.

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CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

6. The computer-implemented method of claim 1, wherein evaluating the at least one quote from the selected preferred provider comprises evaluating the quotes provided by the selected preferred provider in descending order of value, from the highest quote to the lowest quote, and selecting the highest quote that satisfies the offer.

7. The computer-implemented method of claim 1, wherein negotiating the purchase of the product from the provider associated with the satisfying quote includes making a reservation for a travel service provided by the provider at a value corresponding to the satisfying quote.

8. The computer-implemented method of claim 1, wherein each quote is obtained from each preferred provider and non-preferred provider indirectly through a global distribution system that stores fare information associated with each preferred provider and non-preferred provider.

9. The computer-implemented method of claim 1, wherein each preferred provider includes a respective associated preferred criteria, and wherein evaluating the at least one quote from the selected preferred provider to determine if the at least one quote that satisfies the offer comprises determining if the quote satisfies the preferred criteria associated with the selected preferred provider.

10. The computer-implemented method of claim 9, wherein attempting to satisfy the offer from the group of non-preferred providers comprises evaluating offers from the preferred providers that do not meet the preferred criteria.

11. A computer-readable medium having computer-executable instructions for performing the method recited in Claim 1.

12. A computer-readable medium having computer-executable instructions which, when executed on a computer, comprise:

receiving from a customer machine an offer representing a value that a customer is willing to exchange for a product;

ranking each preferred provider in a plurality of preferred providers according to a preferred criteria;

selecting a highest ranked preferred provider from the plurality of preferred providers; and

attempting to match the offer from the customer with the highest ranked preferred provider by determining whether a quote obtained from the highest ranked preferred provider satisfies the preferred criteria associated with the highest ranked preferred provider.

13. The computer-readable medium of claim 12, further comprising:

if the attempt to match the offer with the highest ranked preferred provider is successful, negotiating a purchase of the product from the highest ranked preferred provider.

14. The computer-readable medium of claim 13, further comprising:

if the attempt to match the offer with the highest ranked preferred provider is unsuccessful, repeatedly attempting to match the offer with other preferred providers until either the offer is matched or until the plurality of preferred providers is exhausted.

15. The computer-readable medium of claim 14, wherein attempting to match the offer with other preferred providers is performed in descending order of the ranking associated with each preferred provider.

16. The computer-readable medium of claim 14, wherein if repeatedly attempting to match the offer with other preferred providers is unsuccessful, attempting to

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CHRISTENSEN O'CONNOR JOHNSON KINDNESS PLLC
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

match the offer with one of a plurality of non-preferred providers, and, if successful, negotiating a purchase of the product from the matching non-preferred provider.

17. The computer-readable medium of claim 16, wherein attempting to match the offer with one of the plurality of non-preferred providers comprises obtaining from one or more non-preferred providers a quote to provide the product, and selecting a lowest quote from the quotes provided that satisfies the offer.

18. The computer-readable medium of claim 17 wherein each quote is obtained from each non-preferred provider indirectly through a global distribution system that stores fare information associated with each non-preferred provider.

19. The computer-readable medium of claim 12, wherein the product includes a travel service.

20. The computer-readable medium of claim 19, wherein the travel service comprises airfare.

21. The computer-readable medium of claim 14 wherein each quote is obtained from each preferred provider indirectly through a global distribution system that stores fare information associated with each preferred provider.

22. The computer-readable medium of claim 12 wherein the preferred criteria is negotiated with the preferred providers.

23. The computer-readable medium of claim 12 wherein the preferred criteria comprises a round robin decision process based upon industry market share of the preferred providers.

24. A computer system for matching offers with quotes, comprising:
an online travel service exchanger, including:

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CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100

a web server component configured to interface with a customer machine over a network connection and receive from the customer machine an offer for a product, the offer identifying a cost for the product;

a travel server component configured to obtain at least one quote associated with each provider in a plurality of providers to provide the product at a cost, the plurality of providers comprising at least two groups: a preferred providers group and a non-preferred providers group, each preferred provider having a distinct preference ranking; and

the online travel service exchanger being further configured to attempt to match the offer with each preferred provider in the preferred providers group in descending order of preference.

25. The computer system of claim 24, wherein the online travel service exchanger is further configured to negotiate a purchase of the product from the provider selected as a match for the offer.

26. The computer system of claim 24, wherein the travel server component obtains the at least one quote associated with each preferred provider from a global distribution system configured to make available fare information associated with each preferred provider.

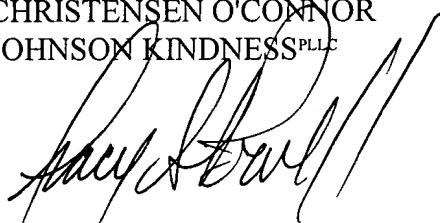
27. The computer system of claim 24, wherein the online travel service exchanger is further configured to evaluate quotes provided by each preferred provider in descending order of preference ranking by determining whether the quotes provided satisfy a preferred criteria associated with each preferred provider.

28. The computer system of claim 24, wherein the online travel service exchanger is further configured to attempt to match the offer with one of the non-

preferred providers by evaluating quotes supplied by the non-preferred providers to identify a lowest quote and selecting the lowest quote as the matching quote.

29. The computer system of claim 28, wherein the travel server component obtains the at least one quote associated with each non-preferred provider from a global distribution system configured to make available fare information associated with each non-preferred provider.

Respectfully submitted,
CHRISTENSEN O'CONNOR
JOHNSON KINDNESS^{PLLC}

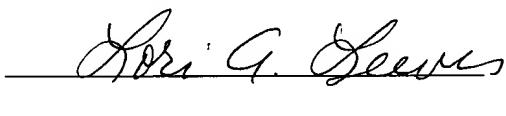


Tracy S. Powell
Direct Dial No. 206.695.1786
E-Mail Address: powellt@cojk.com

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LAW OFFICES OF
CHRISTENSEN O'CONNOR JOHNSON KINDNESS^{PLLC}
1420 Fifth Avenue
Suite 2800
Seattle, Washington 98101
206.682.8100